

Dr. Figgie, III Tours Scott Machine Shop



Figgie International has invested over three-million dollars to improve Scott Aviation's competitive position by modernizing the Lancaster Plant 2 Machine Shop. Dr. Harry E. Figgie, III and Bud Shope, Figgie's Director of Manufacturing, visited Lancaster in August to review our progress and to lay out future plans.

Dr. Figgie toured the Machine Shop with Allen Light, Rick Solon, Warren Boneberg, and Jere Culp. He stated that he was very pleased with Scott's progress.

During a subsequent meeting, Dr. Figgie and Scott prepared plans to acquire approximately three-million dollars of the latest machine tools. This equipment will replace older tools with state-of-the-art machine tools and prepare Scott Aviation for the 1990's. In addition, plans were made to update the Engineering Model Shop.

These actions demonstrate Figgie International's commitment to maintain Scott's competitive position in the marketplace.

Figgie Management Institute Comes To Scott

As part of corporate's ongoing commitment to management training and personnel development, thirty managers from Scott-Lancaster completed a 1½-day course covering Leadership Skills.



Bob McArthur, Senior Training Representative with Interstate Electronics Corporation, a sister division of Figgie International Inc., visited Lancaster in June to present the material. The course was very informational and should help all participants in doing their important work of managing Scott Aviation.

"Leadership Skills" is only one of the many training courses corporate is providing to the divisions. The plans call for all upper and middle levels of management to take a 1½-day course, while all first-line supervisors will take a 3-day course. Eventually all members of management within the entire Figgie organization will take one of the two Leadership Skills courses.

After the 1½-day course was completed for our division, the next phase of presenting the 3-day course began at the South Haven, Michigan plant in July. Bob McArthur's schedule included South Haven in July; Lancaster in August through October; Hebron, Ohio in November; Monroe, North Carolina in January and February 1989; and the Sierra Madre and Monrovia, California plants in Spring 1989.

With the increased competition and the ever-changing nature of our business, the Leadership Skills course and others like it are important not only to Scott Aviation but also the entire Figgie organization. And for those who participate in the Leadership Skills courses, be sure to use your new-found skills when you return to your workplace.

From the desk of John McStravick, Vice President of Health/Safety Sales and Marketing



In reading the last several issues of "News Capsule" I came across an article in the December 1987 issue written by my predecessor, Linc Bailey. In this article he mentioned the importance people are in a business organization such as Scott. He specifically mentioned the people in Health and Safety marketing and sales and what a great bunch of people they are. In my short term with Scott I have to wholeheartedly support Linc's position, for the involvement, and professionalism of these people together with the manner in which they accepted me, have allowed me to comfortably fit in with the overall organization at Scott.

There is one particular group within our marketing and sales area I would like to discuss, and that is our field sales people. Since these people live and work within their assigned sales territories and rarely visit us in Lancaster most Scott people know little, if anything, about them.

We currently have nine sales territories in the United States. We have John Bukowski for the metropolitan New York, New Jersey and Connecticut area; Don Constantino sells in New York State and most of New England; Bob Battaglia has the mid-eastern states around Washington, D.C.; Jack Hankins covers the southeast out of Atlanta, Georgia; Doug Morris covers the states of Michigan, Ohio, West Virginia, Kentucky and Indiana; Bob Muncey handles the north central states and lives in Chicago; "Cotton" Harrell is in Dallas and covers the south central states; Raye Downs lives in Denver and covers most of the northwestern states including Colorado, Utah and Alaska; and Greg Gatlin has the responsibility for California, Nevada, Arizona, New Mexico and Hawaii. As you can see, these people have very large areas that they cover for us and as a result are kept very busy, many times seven days a week.

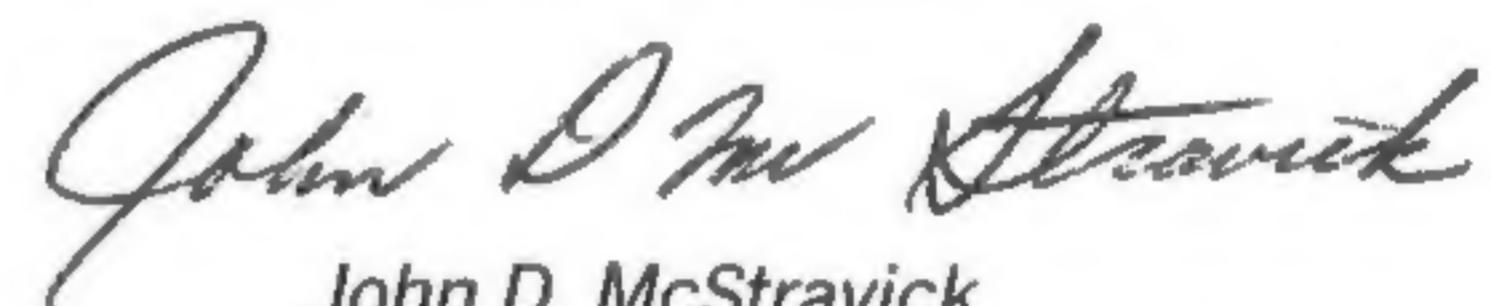
Our field sales people are responsible for twenty-five to thirty Safety Supply and Municipal Fire Service Distributors. These distributors sell our line of Air-Paks, air-purifying gas masks, and our combustible and toxic gas monitoring instruments to most major industries and municipal fire departments. They need to be sure that these distributors maintain an inventory of products and parts so that our customers are properly serviced in a timely manner when they purchase Scott products. They must also train

distributor salespeople on the advantages of our products over competition as well as train the customers in the correct use and maintenance of our products.

The field sales office normally consists of a room in the home of each one of our sales people. They all have answering machines, which in most cases have ten or twelve messages waiting for them at the end of the day. The training of our customers mentioned earlier, especially firemen, normally takes place at night and on weekends. So you can see with the large regions that they cover for us, and the work they must do to effectively cover those regions, keeps our salespeople very busy.

Fortunately for us we have one of the most dedicated, professional group of sales people I have ever encountered in my many years of sales management. They are all proud of the fact that they represent Scott products and that the equipment they sell is designed to save lives. They also appreciate the support and involvement at Scott by everyone for building a good product that we feel proud to ship to our customers.

Hopefully, this article has given you a little more insight to what our field sales people are involved with. You must appreciate that this is but a brief description of what they do; it would take a great deal of time to go into the details and many facets of their complicated jobs. However, we should all be appreciative for the jobs these people are doing, for without them how would we get our products sold?

A handwritten signature in black ink that reads "John D. McStravick".

John D. McStravick
Vice President of Health/Safety
Sales and Marketing

AUTUMN !

*Those lazy days of Summer
Are passing in review
As we move into Autumn,
There are lots of things to do.
It's time to reap the harvest
The fields are ripe with grain
The hay needs baled and put away
Before the Autumn rain.
The sun begins to lose its warmth
The nights will soon be cold
the green trees start to change their look
To the yellows and reds and golds.
The days are getting shorter
And nature has a way
Of telling us it's time to put
Our summer things away.
Enjoy the days of Autumn
And the beauty that it brings
Prepare for a long cold winter
While awaiting the coming of Spring.*

Larry Erickson, Q.C. Department - Lancaster

Meet the Health/Safety Sales Administrators

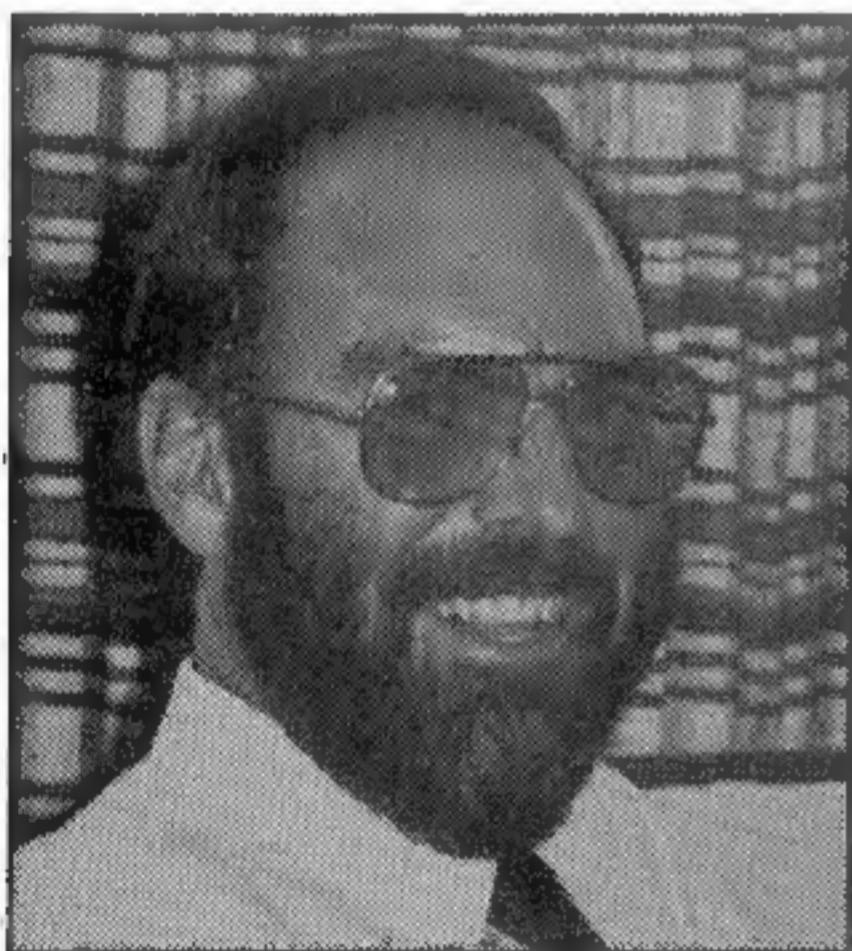
These Lancaster personnel are headed up by Shirlee Bowden and handle all orders in the world of Health/Safety sales.



SHIRLEE BOWDEN
Manager of
Customer Service



FRANK SCHIRALLI
Senior Sales Administrator
Export Sales - All Products
Continuous Instrument Sales



JOHN STEGNER
Sales Administrator
Mideast, Midwest and
Southeast Territories
Special Accounts



LORRIE MONIN
Sales Administrator
Northeast Territory
Canadian Sales



SHIRLEY MORRISON
Sales Administrator
Southwest Territory

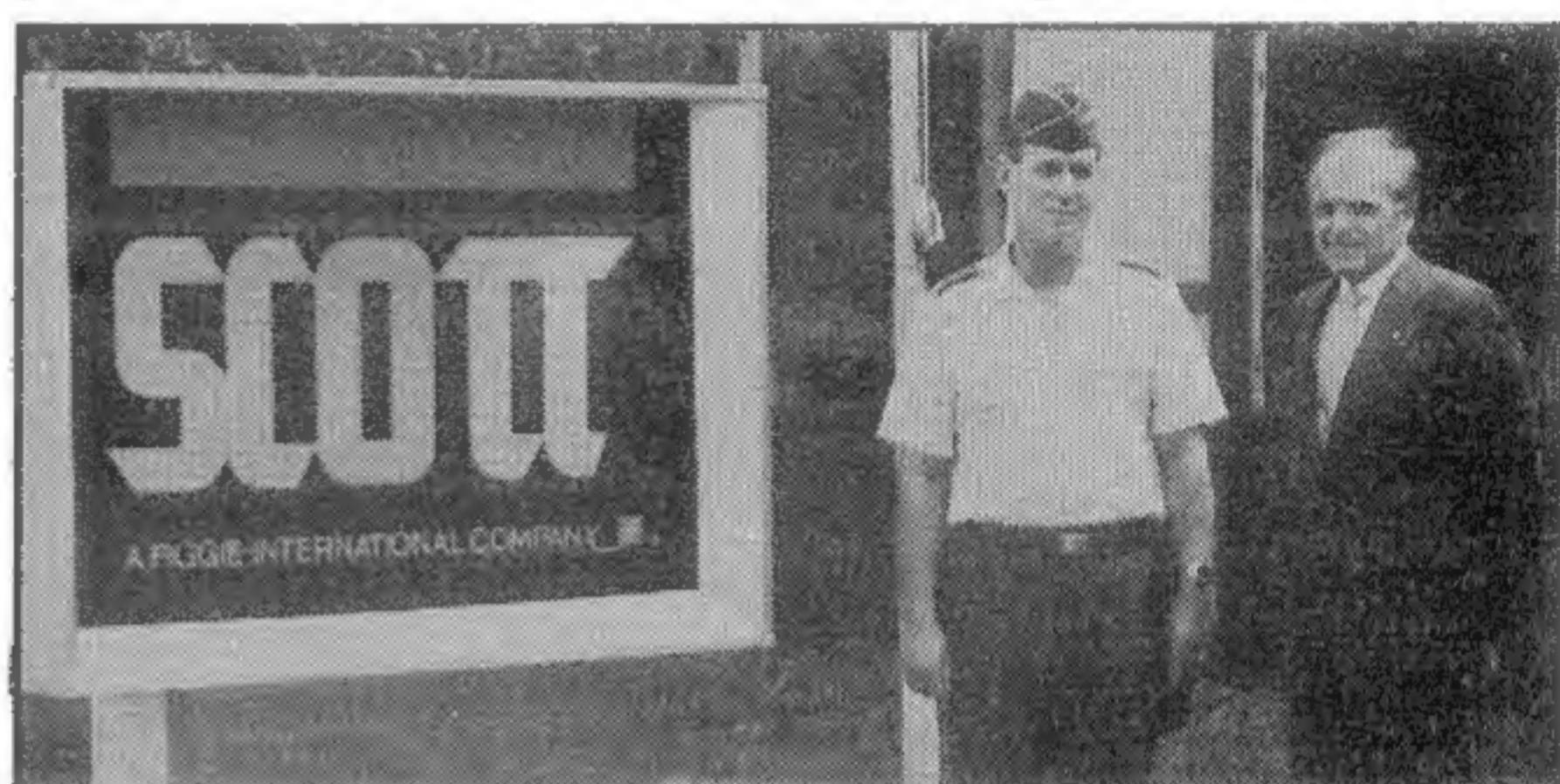


MARY ANN TOBER
Sales Correspondent
Service Orders
General Office Procedures

General Watts Visits Scott Plants

During July, a distinguished visitor, Lt. Gen. Claudius E. Watts, III, Comptroller General, U.S. Air Force, toured the Scott-Lancaster plants with Jim Kalletta, Vice President, Sales & Marketing, Aviation/Government Products. He was very impressed with our facilities and enjoyed talking with employees on the production and assembly lines.

Gen. Watts was in the Buffalo area as guest speaker at a meeting of the Air Force Association. He has served in the United States Air Force for thirty years; he is a command pilot with more than 6,000 flying hours including a year in Viet Nam, and has held various administrative posts leading to his present position with U.S. Air Force Headquarters.

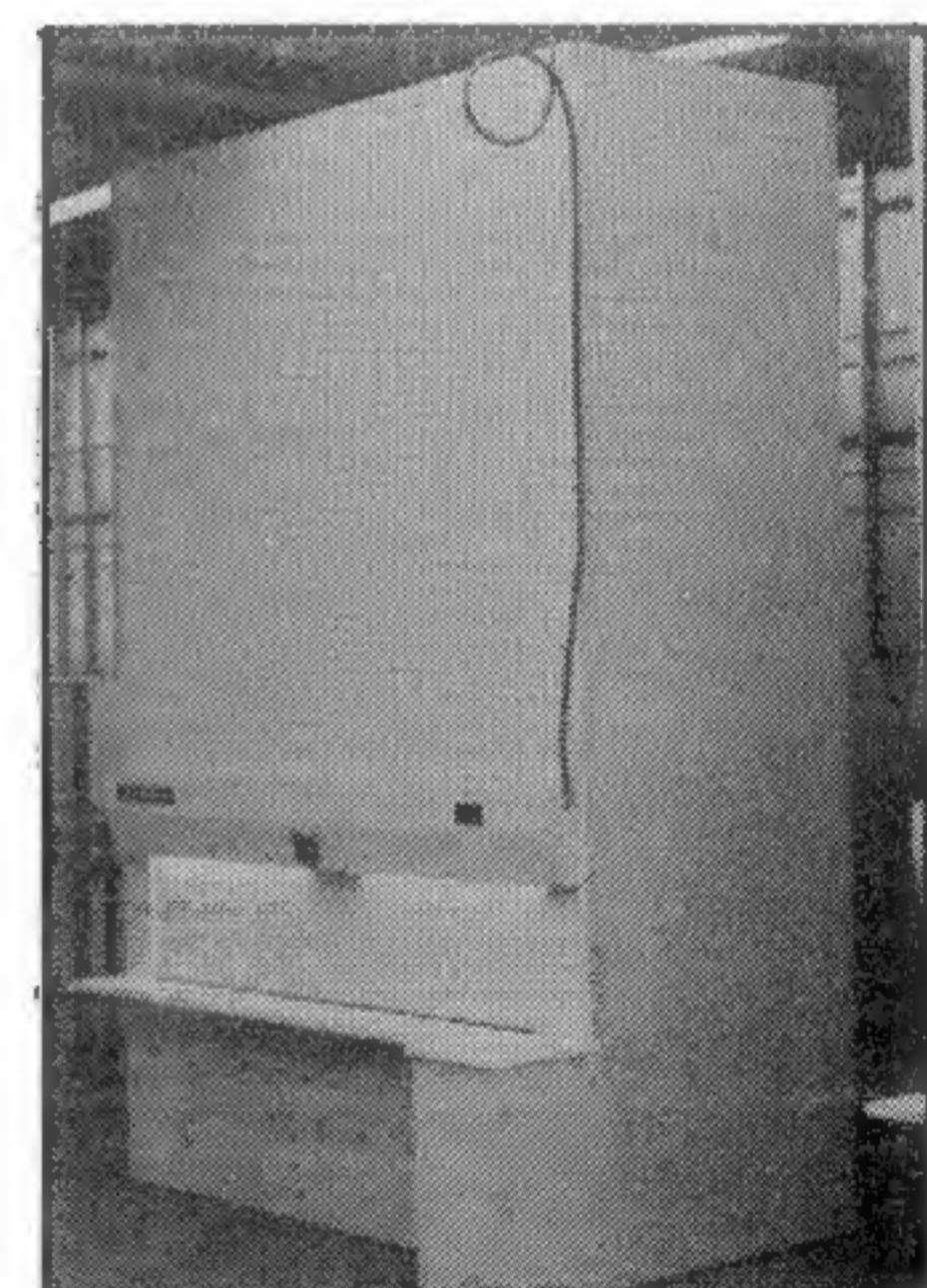


Monroe Facility Gets New Equipment

What looks like a giant bread box; sixteen feet tall, ten feet wide, six feet deep, and holds 1400 different part numbers? Answer: A Vertical Storage and Retrieval System (VSR), more commonly referred to as vertical carousels.

With Monroe warehouse space becoming scarce, an alternate method of storing small parts has become necessary. Several storage systems were reviewed in operation at manufacturing facilities in the area. After observing the VSR manufactured by Richard Wilcox Inc. in operation at IBM and Duke Power it was selected for its operating features and cost. Two carousels have been installed at the Monroe facility.

The required floor space for small parts storage has been reduced by 90% (from approximately 1250 sq. ft. to 120 sq. ft.) As we continue to learn about the equipment, we expect to make even greater improvements to our efficiencies and working conditions.



Figgie Announces Plans To Return To Cleveland Area

In July 1987, Harry E. Figgie, Jr., Chairman of Figgie International Inc. met with State of Ohio Business and Development Office officials to discuss a variety of issues relating to initiating, expanding and relocating some of the company's operations in or to Ohio. Some of the matters discussed included a new Scott Aviation plant in Hebron; the consolidation of two out-of-state operations into S-P Manufacturing in Solon; and relocation of Figgie Acceptance division headquarters to Columbus from Richmond.

At the conclusion of the meeting, Mr. Figgie was approached by Mr. Mark Barbash, deputy director of the State's Division of Business Development, who asked, "What would it take to bring Figgie International back to Ohio?"

The meeting was followed by another between Governor Richard F. Celeste and Mr. Figgie, regarding the possibility of Figgie International returning to its former headquarters site in Willoughby, Ohio. The question of what was needed to bring the company back was reiterated by Governor Celeste. Though not even Mr. Figgie himself knew it at the time, the answer turned out to be a development called Chagrin Highlands.

Because the company's growth had exceeded the capacity of its existing headquarters in Richmond, Virginia, the company decided it made good business sense to investigate the economics of moving to its existing buildings in Willoughby, Ohio, versus constructing new buildings in Richmond.

The company commissioned Booz Allen & Hamilton to conduct an economic feasibility study, and learned from the consultants that it would realize substantial savings by returning to its Willoughby facilities rather than constructing the additional buildings necessary in Richmond, including a building for the company's computer facilities already located in Willoughby.

Having found that the possibility made economic sense, the company approached the City Council of Willoughby. The main difficulty in returning to the old headquarters concerned deed restrictions that severely limited further development of the property. Because of the company's phenomenal growth, a substantial investment would have been required to return to Willoughby, but the deed restrictions made any such investment unwise. These same restrictions had made the company unsuccessful in its seven-year effort to sell the property.

The company requested that the Willoughby Council declare the right of eminent domain so it could initiate the legal process necessary for removal of the deed restrictions, offering to pay any costs incurred by the City of Willoughby as a result. The Willoughby

City Council demurred, effectively closing the door on the company's possible move to Ohio.

At this point, Cleveland Mayor George Voinovich stepped in and asked Mr. Figgie to meet with him. At that meeting on December 29, 1987, the Mayor described to Mr. Figgie a 630-acre parcel of developable land the city owned in its eastern suburbs. Because of his Cleveland background, Mr. Figgie recognized that the east side site represented a potential major economic opportunity. It also offered the chance to create a very worthwhile partnership, benefiting Cleveland and the whole Northeastern Ohio area while allowing the corporation to return to its roots and where many of its employees had been born or had once lived.

The company immediately brought in the appropriate consultants for land planning and traffic studies. Mr. Figgie assigned the project with top priority to one of his group officers, Charles Miner, who formerly headed "Automatic" Sprinkler and was highly familiar with the area.

The innovative agreement balances both private and public interests, and maintains the city's participation in the property as "renewable city resource". Although provided for in Ohio laws, the agreement will be a first of its kind in the state, and perhaps in the entire country.

Under the agreement the city brings a fast-growing Fortune 500 company to the Cleveland area; receives ground lease revenue for the land as it is developed; received a base annual payment from the developer (Figgie International), while transferring the city's current obligation for maintenance and tax expense to the developer; gains from the property value appreciation; receives new tax revenues; and retains majority ownership of the property.

Figgie International has a variety of developments across the country, including Virginia Center, a 1500-acre, \$600-million, high-end commercial/retail complex currently being developed north of Richmond; two residential projects currently nearing completion in Vero Beach, Florida; a one-quarter million square foot shipping center in Melbourne, Florida; office and commercial real estate in Jupiter, Florida; and an industrial park in Milwaukee, Wisconsin. The company also owns and manages properties used by all of its 40 divisions and subsidiaries worldwide.

For developing Chagrin Highlands, Figgie International has retained the nationally known firm of Wallace Roberts & Todd as master planner. The firm is perhaps best known as the designer of Baltimore's Inner Harbor, as well as the Master Plan for the U.S. Capitol.

There are a number of facilities on the site that must ultimately be removed or relocated, including a U.S.

armory; an abandoned hospital and its associated building and former nurses' apartments; a golf driving range; transmission tower and gas wells.

Figgie International has a number of divisions and subsidiaries in the State of Ohio, including S-P Manufacturing (Solon); Hartman Electrical Manufacturing (Mansfield); Scott Aviation (Hebron facility); Figgie Acceptance (Columbus); Akron Packaging Machinery (Akron); Stallman Gear (Columbus); and Cardinal Casualty (Cleveland), plus other plants, warehouses and branch offices. Ohio is also home to the privately held Clark-Reliance Corporation, owned by Mr. Figgie and his family.

The company employs approximately 912 Ohioans, and pays annually \$21.13-million in wages and about \$1-million in state and local taxes. Employee state and local income taxes are approximately \$1.27-million.

The company plans additional growth for its Ohio operations through consolidation of out-of-state operations into both S-P Manufacturing and Akron Packaging, as well as Scott Aviation's new Hebron facility. Together, these developments may add another 1,000 jobs to Figgie International's Ohio work force. In addition, the company plans to start a second S-P plant in the area.

Scott - Lancaster First Responders First Aid Team



Pictured on the Left Side from left to right - Back Row: John Barone, Jim Schlierf, Dennis Klein, Bill Errington, Don Wegst. Front Row: Alice Waczkowski, Lil Haag, Celeste Hicks, Wanda Malecki, Ralph Airey, Carol Gumulak. Right Side - Back Row: Ray Bernisky, Jerry Spider, Ron Hendershot, Lloyd Knose, Paul Moore, Steve Dolber. Front Row: Diane Schnitzer, Dan Chapman, Dan Swierat, Ken Burzynski, Terri Bates, Judy Wilson.

When the first aid alarm sounds, we have the Scott First Responder First Aid Team trained to handle simple cuts or emergencies.

We have a 27 person team led by John Barone. Among the members are 4 New York State Emergency Medical Technicians; Ray Bernisky, John Barone, Jerry Spider, Lloyd Knose, and one New York State Level 4 Paramedic, Pat McCarthy. Two members of the team, Ray Bernisky and Ken Burzynski, are American Red Cross CPR instructors.

Some of the duties of the first responders are:

1. Be prepared to respond
2. Respond to the scene swiftly, but safely
3. Assess and make safe the scene of the accident
4. Gain access to patient
5. Assessment of patient and emergency care
6. Properly prepare patient for safe transfer to ambulance or hospital
7. Complete necessary reports and forms that are required

The First Responders team takes annual CPR classes in order to keep their CPR cards current. New York State First Responder courses are mandatory every 3 years. The D.O.T. New York State First Responders Course is a 40 hour course of clinical (hands on) and classroom testing. Subjects taught include body structures, patient assessment, respiratory system, CPR, airway obstructions, oxygen therapy, control of bleeding and shock, soft tissue injuries, medical emergencies, and child birth.

Monthly first responder meetings are conducted by John Barone to update training procedures and to keep current with practical skills. Training has also been given on hazardous chemicals and reading of material safety data sheets since First Responders are expected to work with the hazardous chemical team in emergency situations.

Every plant has a first aid department that is both maintained and supplied to handle day to day injuries, sicknesses and emergencies.

The Scott Aviation First Responders First Aid Team is just one example of how Scott Aviation employees have extended themselves in both time and learning to assist when there is a need.

Monroe Facility Earns Safety Record

The Monroe facility completed six months without a lost time accident on August 3, 1988. As an incentive for safety achievement, Monroe employees are treated to a Safety Dinner upon completion of six months without a lost time accident. A Safety Dinner to celebrate their accomplishment is planned for sometime in September.

As a result of the Monroe Safety Program, the facility has also earned safety awards from the state of North Carolina for the past nine consecutive years. The North Carolina safety award is for companies who have a lost time incidence rate less than $\frac{1}{2}$ the state average for their particular industry. Monroe employees are to be commended for their safe work record during this period.

Highlights From The Past

25 YEARS AGO (1963)

During Fall 1963, we introduced a number of new Scott products to the marketplace. After several years of intensive research and development and engineering work, these products were released to Manufacturing and were displayed at the National Safety Show in Chicago in October: Train Air-Pak, Weldoramic Mask Adapter, Voice-Pak (improved Speak-Ezee), Water-Vak, and protective lens cover for Air-Pak.

During November, the Aviation Products group showed two new Scott products at the Aircraft Distributors and Manufacturers Association show - the Executive Mark III portable and the Oxymatic console for private and executive aircraft.

We had 123 Health & Safety distributors and 70 Aviation distributors, handling sales of Scott equipment worldwide.

An important contribution to the growth of the Scott Health & Safety product line was the acquisition of Acme Protection Equipment Co. of South Haven, Michigan in September 1963. Founded in 1934, Acme was a well-known and highly respected manufacturer of respiratory protection equipment and became a valuable division of the rapidly-expanding Scott Aviation organization.



REMEMBER WHEN?

This is Scott Aviation-Lancaster in the immediate post-war period - probably 1943. Note the flags on the flagpole - the Army-Navy "E" with Star were earned by the company and its employees for "continued outstanding production achievement".

Does any "old-timer" recognize a familiar car in the parking lot... it would be a real "classic" now!

Value Management Suggestion Program Announces Winners

In July, Scott Aviation was pleased to present the first merchandise prize awards for the Value Management Suggestion Program. These awards were for suggestions that had been received through the quarter ending June 1988. Our award winners were:

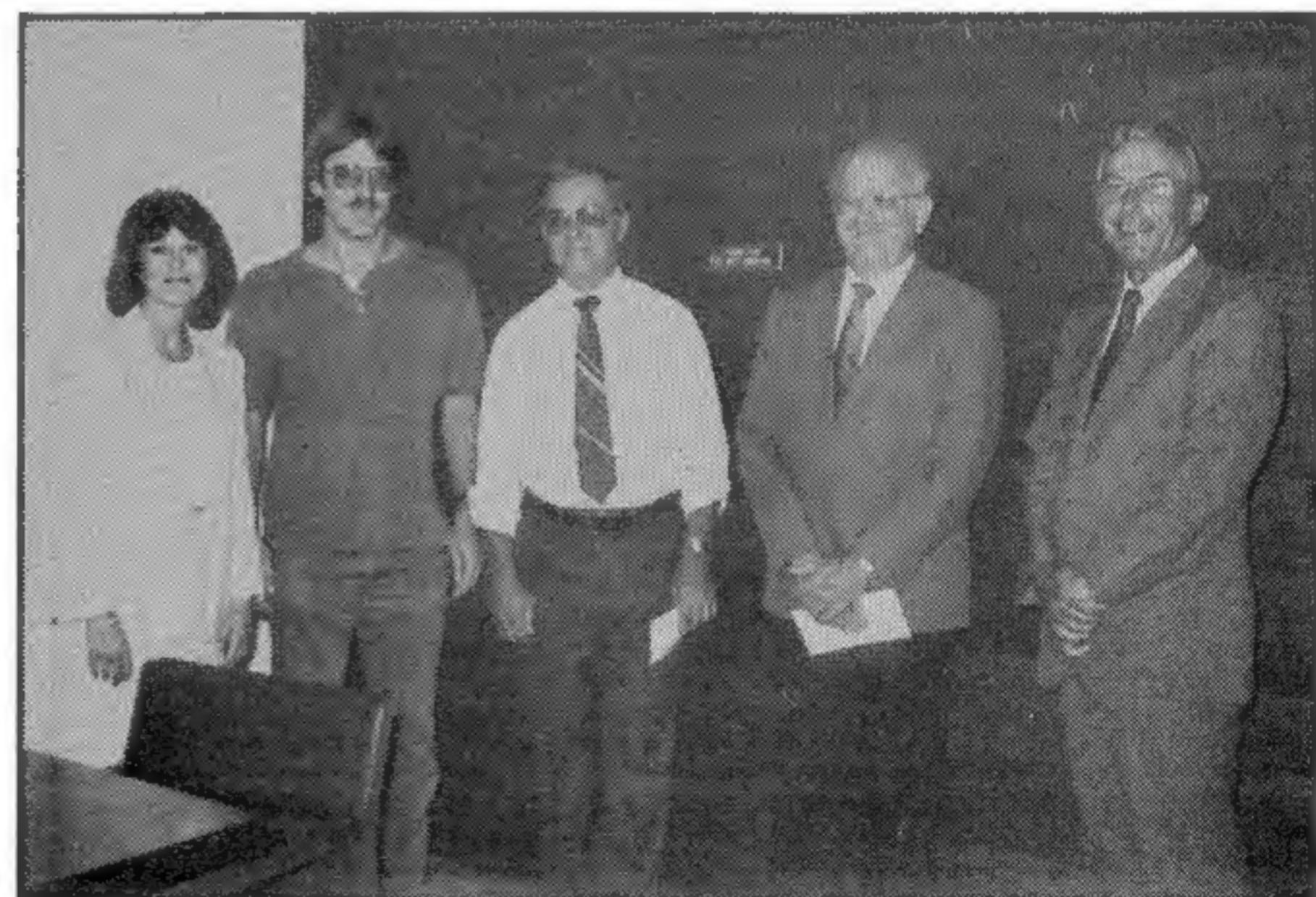
Jere Culp - Suggestion changing the M40/42 Carry Pouch resulting in a labor and material savings.

John Sweet - Suggestion modifying tooling to accomplish two (2) stamping operations at the same time.

James Schlierf - Suggestion eliminating unnecessary overtime at Plant 5.

Chet Jablonski - Suggestion eliminating unnecessary step in a machining process.

Almost one hundred (100) suggestions have been received since the beginning of our Value Management Program. All of your ideas are important to us and I want to personally thank everyone for helping to make this program a success. Please keep your suggestions coming in. Prizes will be awarded for the quarter ending September 30th in October. Suggestion forms can be obtained from your Operations Manager or your Human Resources Department.

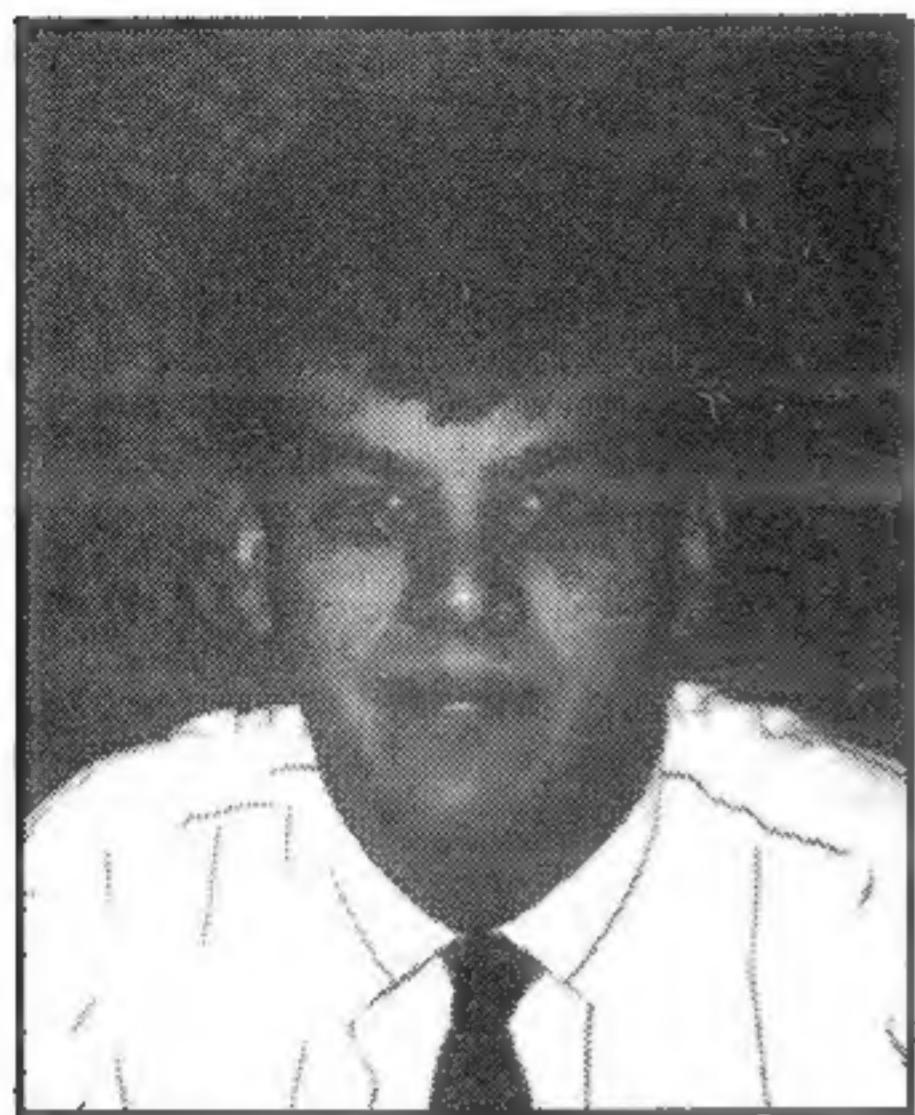


Pictured above, left to right: Lynn Schurr, James Schlierf, John Sweet, Jere Culp and Allen Light, Jr.

Thanks again for your support and congratulations to our first quarterly winners.

Lynn Schurr

Rick Slovenec Joins Scott

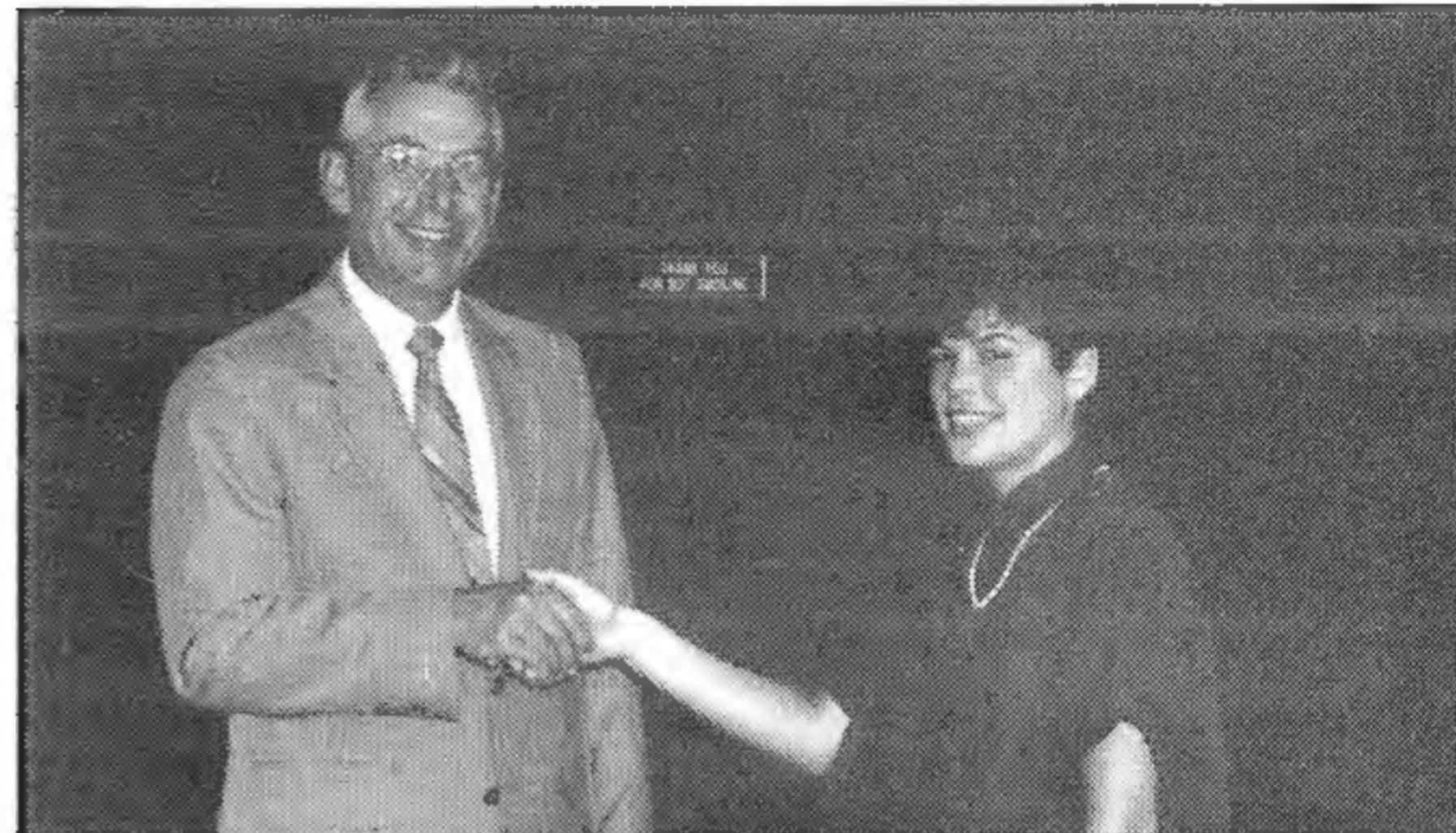


Richard E. Slovenec has been appointed Operations Manager for Scott Aviation in South Haven, Michigan, reporting to Rick Solon, Vice President of Manufacturing.

"Rick" is originally from Euclid, Ohio, just outside of Cleveland. He has a Bachelor's Degree in Business Administration - Production and Operations Management from Miami (Ohio) University. During 4-½ years with the Figgie International organization, he was part of the Management Development Program primarily involved in the Industrial Engineering and Manufacturing areas. In February 1987, Rick was assigned to Thermometer Corporation of America, A Figgie International company located in Springfield, Ohio, as Purchasing Manager responsible for all Purchasing and Traffic operations.

Rick and his wife Debbie have a new addition to the family - their five-month-old daughter Valerie.

1988 Scott Aviation Scholarship



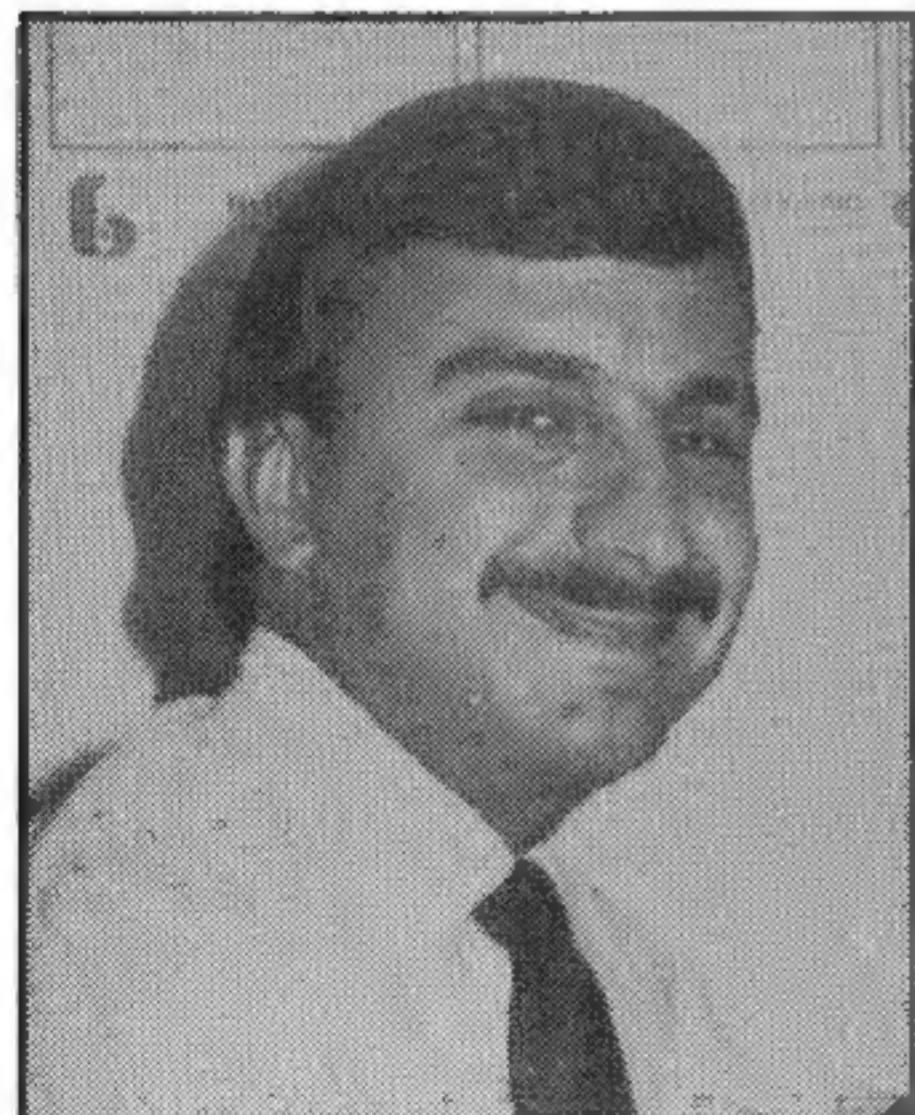
Shannon M. Kelleher, Valedictorian of the Class of 1988 at St. Mary's High School in Lancaster, New York, has been awarded the Scott Aviation scholarship for 1988. She will receive \$500 per year for four years while enrolled in college.

Shannon will be attending the University of Notre Dame this fall to pursue a career in Accounting. Scott Aviation has provided summer employment for Shannon with an assignment in the Accounting Department at Lancaster.

This scholarship program is open to all seniors attending Lancaster Central High School or St. Mary's High School, and the final award is based on class rank, grade point average, SAT score, involvement in school and community activities, and demonstration of leadership qualities.

It was a pleasure to have Shannon working at Scott this summer, and we wish her the very best in her chosen career.

Congratulations, Mark!



Congratulations to Mark Amatuzzo who has received his Bachelor of Science Degree in Business Administration at the State University of New York at Buffalo.

Along with his fulltime position at Scott as Supervisor of Technical Services for the Health and Safety Sales area,

he has attended evening classes at the University of Buffalo School of Management since August 1984 and received his degree in June.

This is a significant achievement, and we are proud of Mark and his continuing efforts to advance himself and to become a more valuable employee to Scott Aviation. Next year, Mark plans to work towards his Masters degree, utilizing the Scott Educational Assistance Program.

A Hunter's Story

Sportsmen of all sports can exaggerate on how great a play they made, or how they caught the biggest fish and always about the one that got away. But Brady Lee at the Scott Monroe Plant

had an unusual method of killing this thirteen point buck. The deer leaped over a woman's car and landed in a ditch where it sustained injury. Brady slit the deer's throat with a pocket knife to put it out of its' misery. The buck weighed 260 pounds. The antlers are 23½ inches across and are 5½ inches round at the base. A hunter's story that may be hard to believe but really happened.

Written by Karen Rushing



Annual Company Picnic

Roast beef, bratwurst and hot dogs topped the menu for the annual company picnic held by the employees of Scott Aviation - South Haven on Saturday, August 20, 1988. Complementing the main course were homecooked foods and desserts galore.

To add to the festivities were employee drawings, bingo, games for all ages and a visit from Rigo the clown (alias, Mayor of Bangor).

The weather was warm, spirits were high and a great time was had by all.



Schools Back In Session...



PLEASE WATCH OUT
FOR CHILDREN

Scott Recipe of the Month

Here's a tasty recipe from Marjorie Kurasz. Marjorie has been with Scott Aviation since 1969; she is the very capable Administrative Assistant to the Operations Manager at the South Haven plant.



CHEESE STUFFED PASTA SHELLS

Use one box of jumbo pasta shells and cook according to directions on package.

2 eggs, beaten
2 containers of (15 oz. ea.) ricotta cheese or small curd cottage cheese can be used.
2 cups (8 oz.) shredded mozzarella cheese
1 cup grated parmesan cheese (divided)
½ cup chopped parsley
1 tsp. salt
½ tsp. pepper
3 cups spaghetti sauce

Mix together eggs, ricotta cheese, mozzarella cheese, ¼ cup parmesan cheese, parsley, salt and pepper. Fill each shell with approx. two tablespoonsful of mixture. Arrange in a single layer in a 13 × 9 × 2 inch baking dish. Spoon spaghetti sauce over shells and sprinkle with remaining parmesan cheese. Bake in 350°F oven for 30 minutes. (makes approx. 8 servings)

This is a great dish and especially good when served with a Caesar salad.

EDITORS CORNER

The next issue of the Scott News Capsule will be published in December, 1988. Comments are always appreciated.

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